8629012/2024/TE-SEI01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

SD&T Department – KIA INDIA PRIVATE LIMITED - Increase of Diploma Trainee's quota from existing 15% to 25% in relaxation to Apprenticeship act 1961 & Rules,1992 to the KIA INDIA PRIVATE LIMITED, Penukonda (M), Anantapuramu District, Andhra Pradesh – Permission – Accorded – Orders -Issued.

SKILLS DEVELOPMENT AND TRAINING (TE) DEPARTMENT

G.O.Rt.No.49 Dated:05.03.2024

Read the following :

1. From General Manager - HR & IR, KIA India Private Ltd, Penukonda (M) Anantapuramu, Letter dated.06.02.2024.
2. The Director of Technical Education recommendations in the e-office file bearing Computer No.2349116.

&&&&

ORDER:

In the reference first read above, the General Manager, (HR&IR), Kia India Private Limited, Penukonda (M), Anantapuramu District has represented to the Government to increase Diploma trainee's quota from existing 15% to 25% in relaxation to Apprenticeship act 1961 & Rules, 1992 as the KIA INDIA PRIVATE LIMITED will not claim stipend reimbursement from Government of India for the additional quota of 10%.

2. The Director of Technical Education has been requested to submit a report on the request of the Kia India Private Ltd., In turn the Director, Technical Education has reported as follows:

I. With reference to the letter dated:03.08.2023 from KIA, it was stated that KIA engages fresh Diploma/Polytechnic Engineers as apprentices, and in the mail Dated:25-08-2023 stated that Kia hires only Diploma pass out Engineers and do not hire ITIs. KIA requested for enhancement of apprenticeship trainee's quota from 15% to 25%.

II. According to apprenticeship act 1961, all establishments having to undertake apprenticeship programs in a range from 2.5% to 15% of its work force, i.e. maximum quota is 15%.

III. The National Apprenticeship Training Scheme under the provisions of the Apprentices Act, 1961 amended in 1973; offers Graduate, Diploma students and Vocational certificate holders; a practical, hands-on On-the-Job-Training (OJT) based skilling opportunities with duration ranging from 6 months to 1 year. During the period of apprenticeship, the apprentices are paid a stipend amount, 50% of which is reimbursable to the employer from Government of India. For implementation of NATS Scheme, Board of Apprenticeship Training (BOAT) regional offices conduct and organize Apprenticeship Fairs held periodically which provides students and establishments a valuable opportunity to meet their training/manpower needs. The department of Technical Education, time-to-time coordinating with BOAT, Southern Region, Chennai under NATS in conducting Centralized Apprenticeship Fairs for Diploma holders in various branches of Engineering.

IV. The Government of India have closed the NEEM Scheme in the year 2023 onward. Hence, it became necessary to the Industries to engage the Apprenticeship Act for Diploma Holders as post Diploma training for a period of 1 year which is having Government of India assistance under reimbursement of 50% scholarship/stipend to the employer upto a maximum of 15%. The apprenticeship is post academic activity and Department of Technical Education deals with diploma students and to engage apprentices under NATS in coordination with BOAT and as per apprenticeship act and apprenticeship rules.

(P.T.O)

V. Under Sub section (1) of Section 8 of apprenticeship Act, 1961 deals with Number of apprentices for a designated trade and optional trade: The Central Government shall prescribe the number of apprentices to be engaged by the employer for designated trade and optional trade.

VI. Accordingly, the Government of India has made relevant Rules in Apprenticeship Rules, 1992 under Sub Rule (3) of Rule 7-B of Apprenticeship Rules, 1992 stated as follows:

> Within a financial year, each establishment shall engage apprentices in a band of 2.5% to 15% of the total strength of the establishment including contractual staff, subject to a minimum 5% of total to be reserved for fresher apprentices and skill certificate holder apprentices.

VII. The Sub Section 8(c) of Section 9 of the Apprenticeship Act, 1961 says recurring costs (excluding the cost of stipends) incurred by an employer in connection with the practical training imparted to graduate or technician apprentices [technician (vocational) apprentices] shall be borne by the employer and the cost of stipends shall be borne by the Central Government and the employer in equal shares up to such limit as may be laid down by the Central Government and beyond that limit, by the employer alone.

3. The Director of Technical Education has stated that now, the Kia Motors has stated that the State Government of Karnataka has issued orders enhancing the Apprenticeship Ceiling limit of 15% to 25% vide its Proceedings Order No. SDEL 126 ITA 2022, Bangalore, dated: 28-11-2022 under NAPS as was done by State of Maharashtra. The KIA Motors requesting to enhance the upper ceiling limit of 15% to 25% under the provision of Sub Section 8(c) of Section 9 of the Apprenticeship Act, 1961. They will not claim for reimbursement stipend for the Additional Quota beyond 15% from Government of India towards 50% share.

4. Government after consideration of the above position acknowledges the need to increase the skill work force locally in the State of Andhra Pradesh by providing training to the unemployed youth under NSQF Formula from Level-1 to Level-10. As the industries play a key role in providing Apprenticeship to the qualified Diploma holders in their industries under Apprenticeship Act, 1961, Government have decided to permit the KIA Motors to engage Diploma holders by increasing the apprenticeship ceiling limit from 15% to 25% under the provisions of Sub Section 8(c) of Section 9 of the Apprenticeship Act, 1961 in relaxation of Sub rule (3) of Rule.7-B of Apprenticeship Rules, 1992 subject to condition KIA INDIA PRIVATE LIMITED shall not claim stipend reimbursement from Government of India for the additional quota of 10% and the full stipend amount shall be paid by the Kia Motors to the students directly.

5. The Director of Technical Education, A.P. Mangalagiri and the Commissioner of Labour, A.P. Vijayawada are requested to observe the strict implementation of the Apprenticeship Act, 1961 and Apprenticeship Rules, 1992.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S. SURESH KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT (FAC)

To

The General Manager, Kia Motors, Penukonda (M), Anantapuramu.
The Director of Technical Education, A.P. Mangalagiri.
The Commissioner of Labour, Andhra Pradesh, Vijayawada.
The Director, Board of Apprenticeship Training (Southern Region) – 4th Cross St, Tharamani, CIT Campus, Tharamani, Chennai, Tamil Nadu 600113.

Copy to :

The OSD to Principal Secretary to Chief Minister, Government of Andhra Pradesh.
The OSD to M(SD&T) department , A.P. Secretariat, Velagapudi.
The PS to Principal Secretary to Government, SD&T Department.
The Skills Development & Training (OP) Department.
SC/SF (C.No.2349116)

//FORWARDED :: BY ORDER//

SECTION OFFICER